



## **CDBG Community Facilities Loan Program**

### **2006-2007 Request for Proposals Application Instructions**



**City of Seattle**  
Gregory J. Nickels, Mayor

**Human Services Department**  
Patricia McInturff, Director

<p><b>2006-2007 CDBG Community Facilities Loan Program</b> <b>Request for Proposals</b></p>
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**September 2006**

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APPLICATION	

## SECTION I. PURPOSE

Seattle's Community Facilities Loan Program seeks to enhance and improve the physical infrastructure of the human services delivery system in Seattle. We accomplish this by using federal Community Development Block Grant (CDBG) funds to finance improvements to community facilities. "Community facilities" are defined as health clinics, food banks, emergency shelters, senior centers, child and after school care centers, employment and vocational training centers, counseling service offices, and other related human service program facilities. These are facilities in which human services are directly provided to eligible clients and which are open and accessible to the general public.

CDBG funds are allocated to the City of Seattle each year by the U.S. Department of Housing and Urban Development (HUD) to benefit low- and moderate-income residents, strengthen neighborhoods in need, and eliminate threats to the health and welfare of low-income people. The 2006-2007 CDBG Community Facilities Loan Program Request for Proposals (RFP) process will allocate 2006 and anticipated 2007 CDBG funds for community facilities capital projects in accordance with the policies in the 2005-2008 Consolidated Plan and the 2006 Update to the Consolidated Plan adopted by the Seattle City Council, and the priorities and criteria noted in this document. Due to limited funding, we will **not be accepting applications for facilities planning studies**. The Community Facilities Loan Program is one specific funding allocation within the City's overall CDBG entitlement. However, for purposes of this application packet, references to "CDBG funds" and "Community Facilities Loan Funds," and variations thereof, may be used interchangeably throughout this document. Please note, however, that economic development, permanent affordable housing or transitional housing projects are not eligible to receive these funds through this RFP process.<sup>1</sup>

Allocations under this RFP will be made primarily in the form of a recourse loan, forgivable over the time specified in the agreements negotiated with borrower agencies, thereby ensuring continuous use and public benefits to low- and moderate-income persons throughout the commitment period.

## SECTION II. FUNDING AVAILABILITY & PROCESS

### **Funding Availability**

Approximately \$830,000 is expected to be available for this RFP. This funding amount is subject to change based upon the program's fiscal year 2007 budget allocation, and all funding awards will be contingent upon receipt of these funds.

In the 2004-2005 RFP process, the City received 10 applications totaling over \$2.3 Million in requested funding. Five applicants initially received funding allocations, totaling approximately \$828,000.

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<sup>1</sup> Contact the Seattle Office of Economic Development at 206-684-8090 or the Seattle Office of Housing at 206-684-0721.

## **Process**

The RFP process will be conducted and staffed by the Homelessness Intervention and Block Grant Administration Division of the Human Services Department (HSD). Each proposal will be evaluated and rated by a panel which may include representatives from appropriate City departments and the community at large. The 2006-2007 schedule of activities is as follows:

September 13, 2006	<p>Public announcement of the RFP is published in the City's paper of record, <i>Seattle Daily Journal of Commerce</i>. Application files are available on the World Wide Web at :</p> <p style="text-align: center;"><b><a href="http://www.seattle.gov/humanservices/news">www.seattle.gov/humanservices/news</a></b></p> <p>Hard copies of the application or diskettes with the application files will be mailed upon request.</p>
September 18 - October 26	<p>Mandatory pre-application meeting to discuss eligibility, site control, specific funding priorities and project feasibility of your proposal. Call Ken Astrein, 206-684-0377 to schedule.</p>
September 27 1:00 p.m. - 2:30 p.m.	<p>RFP Information Session &amp; Technical Assistance Workshop:</p> <p>HSD Board Room - 6070 (60<sup>th</sup> Floor) Seattle Municipal Tower 700 Fifth Avenue, Seattle</p> <p>This workshop will present a general overview of the RFP and HSD's funding policies and priorities. It will also provide interested applicants a chance to ask detailed questions about the RFP application, overall funding process and applicable CDBG regulations. Applicants who have not previously applied for funding from the Community Facilities Loan Program, or who are looking for detailed assistance in understanding how to complete an application are strongly encouraged to attend.</p> <p>Driving directions to the Seattle Municipal Tower can be found at: <a href="http://www.seattlemunicipaltower.com/Directions.axis">http://www.seattlemunicipaltower.com/Directions.axis</a> .</p>

Monday November 6, 2006 at Noon	<p>The <b><u>original AND seven (7) three-hole punched copies</u></b> of proposals must be <b>RECEIVED</b> and <b>DATE/TIME-STAMPED</b> by <b><u>Noon on November 6.</u></b> Please mail or hand-deliver the <b><u>original AND seven (7) copies</u></b> of your proposal in an envelope addressed to:</p> <p><b>Hand Deliver Proposal To:</b>  Seattle Human Services Department  RFP RESPONSE – Community Facilities  Attention: Ken Astrein  Seattle Municipal Tower  700 5<sup>th</sup> Avenue (5th &amp; Columbia), 58<sup>th</sup> Floor  Seattle, WA 98104-5017</p> <p><b>Mail Proposal To:</b>  Seattle Human Services Department  RFP RESPONSE – Community Facilities  Attention: Ken Astrein  700 5<sup>th</sup> Avenue Suite 5800  P.O. Box 34215  Seattle, WA 98124-4215</p> <p>Faxed or e-mailed proposals will NOT be accepted. Proposals without seven (7) copies that are not received and date/time stamped by the Noon deadline will NOT be eligible for consideration. Proposals which do not follow the required format will be deemed unresponsive and NOT rated.</p>
November - December*	Review panel of City and community representatives reviews and rates applications and makes recommendations. HSD staff conducts internal eligibility and community priority assessments.
November - December*	Applicants may be contacted for additional information or clarification. Please make sure the agency contact person is available to answer any questions during this time.
December - January 2007*	The Director of the Human Services Department reviews the recommendations and makes final decisions.
January*	HSD notifies applicants of funding decisions.
February*	HSD meets with successful applicants to review funding requirements and procedures.

\*HSD reserves the right to extend these dates as needed to ensure proper review and rating of all submitted applications and awarding of funds for selected proposals.

### **HSD Funding**

HSD reserves the right to make an award or loan agreement without further discussion of the proposal submitted. Therefore, the proposal should be submitted on the most favorable terms.

If the proposal is selected for full funding, applicants should be prepared to accept the terms they proposed for incorporation into a loan agreement resulting from this RFP.

The minimum funding request is \$50,000. There is no maximum funding request amount, although HSD reserves the right to partially fund any or all requests. HSD expects to fund approximately 4 - 6 projects in 2006-2007, and may therefore limit the size of its funding awards.

The City also reserves all rights not expressly stated in the RFP, including award of partial funding and negotiating with any applicant regarding the amount of funding and other terms of any loan agreement resulting from this RFP.

### **Appeals Process**

An agency applying for Community Facilities Loan Program funds (a “Proposer”) has the right to appeal their particular funding decision.

1. The Human Services Department (HSD) will notify all Proposers in writing of the acceptance or rejection of the proposal, and, if appropriate, the level of funding to be allocated.
2. Within ten (10) working days from the date of the written notification, the Proposer may submit a written appeal to the Director of HSD. The basis for the appeal must address one or more of the following criteria:
  - Violation of policies or guidelines established in the RFP; or,
  - Failure to adhere to published criteria and/or procedures.
3. The HSD Director will review the written appeal and may request additional oral or written information from the appellant organization. A written decision of the HSD Director will be made within ten (10) working days of the receipt of the appeal. The HSD Director’s decision is final.
4. **If an appeal is filed, no new contracts resulting from the solicitation may be finalized until the appeal process is completed or the appeal resolved. An appeal may not prevent HSD from issuing an interim contract for services to meet critical client needs.**

## **SECTION III. ELIGIBILITY**

The applicant agency and its proposed project ***must be CDBG-eligible*** in order to be considered for funding. Any project deemed not eligible will be disqualified and will not be reviewed or evaluated. Questions regarding CDBG eligibility requirements should be directed to Ken Astrein at 206-684-0377.

If the proposed project serves multiple uses, only those activities and costs that are directly associated with, or prorated for, CDBG-eligible community facility purposes will be considered for funding.

### **Eligible Applicant**

An agency is eligible for consideration if it is:

- a) A nonprofit human service organization that is properly registered in the State of Washington with the Secretary of State; or
- b) A housing or public development authority; or
- c) A public entity providing human services approved by HSD.

Agencies barred by the federal government from receiving federal assistance, or from participating in a federally funded project, are not eligible for funding consideration through this RFP process.

### **Religious Institutions / Faith-Based Organizations**

The federal regulations governing the use of Community Development Block Grant funds are found in Chapter 24 of the Code of Federal Regulations, Part 570 (24 CFR 570). 24 CFR 570.200(j) codifies HUD's recent "faith-based initiative." The following are highlights of the new regulations as they pertain to facilities funding.

- 1. Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the Community Facilities Loan Program.
- 2. An organization that participates in the Community Facilities Loan Program shall not, in providing program assistance or social services within the facility to be benefited by the Loan Program funds, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief.
- 3. CDBG funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities. CDBG funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under CDBG guidelines. Where a structure is used for both eligible and inherently religious activities, CDBG funds may not exceed the cost of those portions of the acquisition, construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to CDBG funds supporting this Program. Sanctuaries, chapels, or other rooms that a CDBG-funded religious congregation uses as its principal place of worship, however, are ineligible for CDBG-funded improvements.
- 4. Disposition or change of use of real property during or after the expiration of the loan and continuing use period, is subject to government-wide regulations governing real property disposition. (See 24 CFR parts 84 and 85.)

### **Benefits to City Residents / Location Within City Limits**

The facility to be improved, constructed, or acquired must be located within the City limits and primarily serve residents of Seattle.

### **Benefits to Low- and Moderate-Income Persons or Areas (24 CFR 570.208)**

Pursuant to HUD requirements and HUD's National Objectives for the CDBG Program, low- or moderate-income persons must comprise at least 51% of the clientele or service area that a proposed project will benefit. A proposed project is eligible if at least 51% of the clients directly served in the facility have annual incomes of 80% median income or less (adjusted for regional variations). (See Table 1 – 2006 Income Guidelines for Seattle PMSA. We reserve the right to examine your means of data collection and income verification.) Another means of meeting low- and moderate-income requirement is the geographical area standard. In this case, at least 51% of residents in the geographical area to be served must have annual incomes of 80% median income (adjusted) or less. Eligibility based on the geographical area standard must be determined by the City's CDBG Administration staff. Please contact Michael Look at 615-1717 for additional information.

### **Eligible Activities ( 24 CFR 570.201 (a), (c), (k); 570.205)**

The proposed project must qualify as a CDBG-eligible public facilities activity. Any expenses associated with the following are not eligible for CDBG Community Facilities funding: deferred maintenance; repairs which do not prolong the useful life or increase the value of the property, the purchase of equipment or furnishings, or routine maintenance/operations. Project expenses associated with non-community facilities activities, such as low-income housing or economic development, are also not eligible to receive funds through this RFP process.

Eligible activities include:

- Construction, renovation or rehabilitation of facilities that provide direct service delivery space. "Direct service delivery space" means physical space which has as its primary purpose the delivery of in-person social services. In some cases, non-direct service space may also be eligible when associated directly with eligible space and the related social services, such as a kitchen serving a hot meal program. In general, conference rooms or large meeting rooms will not be considered as CDBG eligible.
- Acquisition of existing facilities or land where a community facility will be developed to house direct human service delivery activities in accordance with CDBG eligibility requirements (vacant land or facility must be developed within a reasonable time frame to meet CDBG National Objectives).
- Improvements for providing accessibility to persons with disabilities at eligible community facilities.

## **SECTION IV. FUNDING PRIORITIES & RATING CRITERIA**

The general funding strategies and the specific funding priorities for the Community Facilities Loan Program are found in the 2005-2008 Consolidated Plan and the 2006 Update.

Proposals must meet these basic requirements:



- Any project chosen for CDBG funding must clearly benefit low and moderate-income people.
- CDBG funds must be used to improve or expand direct social service delivery space as previously defined under “Eligible Activities.” This is the sole way that expenditure of these funds can be shown to meet a National Objective as defined by HUD. Improving spaces for general or program administration or staff convenience does not meet a National Objective.
- The proposal must demonstrate that the agency has the legal authority to undertake the proposed project on the proposed property and must demonstrate a clear plan to address any issues that may impair the agency’s authority to maintain control of the property through the required continuing use period. Site control issues raised at the mandatory pre-application meeting must be addressed in the application.
- All other relevant CDBG eligibility requirements must be met upon application, or if the service or facility is new, upon project completion.

All highly-ranked projects will:

- Meet city human service priorities, especially projects whose proposed services are supported with other City funds;
- Be clearly outlined, well-planned, and demonstrate significant benefits for clients;
- Show the ability to start promptly and be completed in a timely manner;
- Generally have other funds that are available or committed; and,
- Be sponsored by agencies that have the structure and capacity in proportion to the complexity of the proposed project.

One of the goals of HSD’s RFP processes is to assure that service providers selected are the best equipped to achieve the outcomes of the respective service delivery programs. As such, the City reserves the right to consider past performance in the areas of service delivery, client outcomes and financial management.

In order to maximize the City’s limited resources, agencies are encouraged to leverage non-City resources as a match to their Community Facilities Loan Fund request. While a match is not required for funding, agencies are encouraged to match at least 25% of the total project cost with non-City funds. Agencies doing so will be rated accordingly in the review process.

A match consists of actual cash funds allocated to CDBG eligible pre-development, architectural and/or construction costs associated with this project that appear in your Project Budget. Agencies acquiring a site on or after January 1, 2006 specifically for the undertaking of the proposed project may use the acquisition cost, or a portion thereof if the project will contain mixed uses, as a match. Costs not specifically related to the Community Facilities portion of a project in mixed-use projects are

ineligible for use as a match. Some other items not eligible for the match include donated materials or labor, in-kind donations, agency staff time, and furniture, fixtures or equipment.

### **Specific Funding Priorities**

Funding of the following types of facilities have been identified in strategies contained in the 2005-2008 Consolidated Plan, and will receive priority consideration during the review process:

- Projects which increase the quality or capacity of child care providers;
- Projects which increase the quality or capacity of job training / skills development providers and other social services that improve the employability of low- and moderate-income residents;
- Projects housing city funded programs (direct funding or pass through); and,
- Projects being undertaken because of forced relocation due to expiration of a non-renewable lease, eviction, condemnation, or eminent domain.

In addition to the above-listed priorities, other proposals receiving priority consideration will include those related to issue areas identified as priorities in other written documents or actions taken by the Mayor, City Council, or the Human Services Department. These priorities include:

- Projects involving acquisition, construction, renovation or the rehabilitation of social service centers housing programs that increase the social cohesion, community self-sufficiency and self-determination of refugee and immigrant groups; and,
- Projects located within the boundaries of the Southeast Neighborhood Revitalization Strategies Area as presented to HUD in 2006. (Boundaries for the Strategies Area can be found on pages 54-55 in the following document: [http://www.seattle.gov/humanservices/director/ConsolidatedPlan/2005/CP\\_2005\\_Appendix\\_P.pdf](http://www.seattle.gov/humanservices/director/ConsolidatedPlan/2005/CP_2005_Appendix_P.pdf) )

The above funding priorities are consistent with Human Services Department's Strategic Investment Plan (SIP) which promotes funding for programs that focus on social and economic success. The Community Facilities Loan Program supports Community Goal #6 of Strategic Investment Plan: to ensure equal access to high quality, culturally competent services. One "key strategy" identified in the SIP in the pursuit of this Goal is to "increase community based agency capacity to improve their environment for service delivery through construction financing and remodeling projects."

The Rating Guidelines follow on the next page.

### **Rating Guidelines**

<b>Eligibility Requirements</b>	<p>Project must be CDBG-eligible, including, but not limited to, all applicable sections in Part II of the application which are further described in the instructions below.</p> <p>Serves City of Seattle residents and is located within the Seattle city limits.</p> <p>Expands or improves direct social service delivery space.</p>	Yes or No
<b>Funding Priorities</b> <b>A. Service Areas</b>	<p>Meets one or more of the specific funding priorities described below.</p> <ul style="list-style-type: none"> <li>• Projects housing city funded programs (direct or pass through)</li> <li>• Projects increasing quality or capacity of child care providers</li> <li>• Projects increasing quality or capacity of job training / employment training programs</li> <li>• Improvements to social service centers housing programs that increase self-sufficiency of refugee and immigrant groups</li> <li>• Projects located within the Southeast Neighborhood Revitalization Strategies Area</li> <li>• Projects being undertaken due to forced relocation</li> </ul> <p>City staff knowledgeable in the area(s) of service will provide input on current funding priorities as part of the review process.</p>	20%
<b>B. Project Description</b>	<p>Facility problem and its impact on service delivery are clearly and logically stated.</p> <p>Solutions and benefits, especially direct benefits for clients, are explicitly related to and address the stated facility problem.</p> <p>Demonstrates a sound investment of public funds both in terms of qualitative and quantitative improvements to human services.</p> <p>Demonstrates a strategic planning process whereby services and facilities improvements are linked and coordinated.</p>	25%

	<p>Demonstrates a consideration of service impacts (disruption, expansion, reduction of services) due to the proposed project.</p> <p>Shows an analysis of the proposed project's financial impacts on operating and maintenance costs, if applicable. Shows the agency's ability to support future operating and maintenance costs, and if applicable, debt service.</p> <p>Demonstrates use of sustainable building materials or engineering techniques.</p>	
<b>HSD Core Principles</b>	<p>The agency's operations and practices reflect the following core principles of HSD:</p> <ul style="list-style-type: none"> <li>• Community leadership and empowerment</li> <li>• Collaboration</li> <li>• Accessibility</li> <li>• Cultural competency and relevancy</li> <li>• Anti-poverty strategy</li> </ul>	5%
<b>Site Control</b>	Demonstrates site control of the proposed project site and the ability to maintain site control through the applicable continuing use period.	10%
<b>Project Schedule</b>	<p>Shows a realistic and comprehensive schedule that also contains prudent contingencies</p> <p>Shows the ability to begin project implementation in 2007 and complete the project by the end of December 2008.</p>	10%
<b>Project Funding and Budget</b>	<p>Demonstrates that needed resources are already committed.</p> <p>Shows a realistic and complete fundraising / financing plan that supports project completion by December 2008.</p> <p>Documents alternate plans which can be successfully implemented in the event of a partial funding allocation and/or costs and bids exceeding the project's budget. Agencies should be able to specifically identify alternate fund sources and/or a reduced or discrete scope of work which can be completed by December 2008 with a reduced funding award.</p>	25%

	<p>Explains and documents funding match, if proposed.</p> <p>Provides an analysis of alternative solutions to City funding, as well as plans to complete the proposed project should actual costs exceed the proposed project budget.</p> <p>Shows a realistic and reasonable cost estimate including prudent contingencies.</p>	
<b>Agency Administration and Capacity</b>	<p>An eligible applicant is:*</p> <ul style="list-style-type: none"> <li>a) A nonprofit human service organization that is properly registered in the State of Washington with the Secretary of State; or</li> <li>b) A housing or public development authority; or</li> <li>c) A public entity providing human services approved by HSD.</li> </ul> <p>Applicant has not been barred from receiving federal funds, or from participating in a federally assisted project.*</p> <p>Has demonstrated organizational stability in the delivery of effective services to low-income Seattle residents.</p> <p>Operating pro forma contains reasonable assumptions about inflation and future City support for operations.</p> <p>Financial audits reveal no cause for concern for future financial support from current funding sources.</p> <p>Has a good track record of managing City-funded projects, in particular CDBG-funded capital projects, and/or demonstrates the ability to successfully complete the proposed project in a timely manner with the identified staff and/or consultants.</p> <p>Meets the requirements of the City for contracting agencies, including insurance and audit requirements.*</p>	5%

\* Items are required in order to be eligible for receipt of a funding award.

## SECTION V. FUNDING CONDITIONS

Projects authorized for Community Facilities Loan Program funding must meet applicable local, state and federal policies and requirements and conditions, including but not limited to the following:

### **Project Expenditure & Completion**

Agencies receiving Community Facilities Loan Funds this year should be able to begin project implementation in 2007 and complete their projects by the end of December 2008. After notification of loan reservations, agencies will be asked to submit a revised timeline incorporating project specific funding award conditions. If an agency is unable to begin project implementation in 2007, the loan reservation may be recaptured by the City, and the agency will need to reapply for funding. At a minimum, beginning project implementation includes demonstrating measurable progress toward meeting any required funding award conditions, and being actively involved in loan negotiations with HSD. Projects that have not entered into formal loan agreements with the City the end of December 2007 may have their loan reservations revoked without further discussion with the agency.

*In light of limited funding for this program, the City will aggressively monitor and enforce program requirements to expend funds in a timely manner.*

### **Continuing Use and Low- and Moderate-Income Benefits & Terms of Agreement (24 CFR 570.505)**

Under the HUD requirements, any capital improvement cost paid with more than \$25,000 in CDBG funds must be able to provide benefits to low- and moderate-income persons or areas for a minimum of five years at the project site. This is known as the "Continuing Use" requirement, and it assures that capital investments in facilities will provide long-term, continuous benefits to low- and moderate-income persons or areas. Assisted facilities are also governed by disposition rules found in 24 CFR Parts 84 and 85.

In order meet this requirement, the City makes its allocations under this RFP to agencies in the form of loans, forgivable over the time specified in the terms of the loan agreement. Such loans will be evidenced by a promissory note, which will be held until forgiven by the City, and which may be secured by a deed of trust recorded against the property or leasehold. Agencies shall be required to meet the terms and conditions of the City's Agreements as follows:

<b>Funding Award Amount</b>	<b>Type of Agreement Required</b>	<b>Term</b>
Up to \$99,999.99	Loan Agreement with a Promissory Note	Five Years
\$100,000 to \$199,999.99	Loan Agreement with a Promissory Note and a Deed of Trust	Ten Years
\$200,000 or Greater	Loan Agreement with a Promissory Note and a Deed of Trust	Fifteen Years

Due to the potential complexity of negotiating a Loan Agreement, especially one involving a Deed of Trust, agencies awarded funding are encouraged to obtain professional legal counsel.

### **Site Control**

Site control of the facility, either in the form of ownership or a long-term lease becomes a crucial consideration for accessing Community Facilities Loan Program funds. In a case in which the facility is not owned, it is incumbent upon the agency to obtain a long-term, mortgagable lease from its landlord prior to the execution of an agreement between the City and agency. The agency's landlord may also be asked to sign a consent and non-disturbance agreement and/or an Estoppel Certificate affirming the present status of the applicable lease. It is especially critical for agencies with leases to work closely with HSD staff to ensure leases and related documents are in a form and with content acceptable to the City. We may require that leases be recorded with the King County Records and Elections Division.

If a site is leased, the agency must certify in the application that they have informed the landlord of the continuing use requirements associated with the use of these funds. The landlord must also have been informed that the City may require amendments to the lease to satisfy our continuing use and security requirements.

An agency intending to acquire a facility should include a copy of their purchase and sales agreement.

If the agency vacates the facility or no longer provides the proposed services before fulfilling the City's negotiated contractual terms, the agency will be liable for repayment of the City's Community Facilities Loan Program funds plus any accrued contingent interest. In some cases, the agency, and if applicable their landlord, may be asked to provide legal assurance that the facility will continue to be used for approved services to low- and moderate-income persons until the City's contractual terms are fulfilled.

### **Acquisition**

To ensure that a Community Facilities Loan Program-funded acquisition project is implemented, the City requires that agencies requesting Community Facilities loans for acquisition demonstrate the capacity and resources to provide services in the new facility, and must provide one or more of the following financial assurances to the City at the time of disbursement of these funds, as determined by the City:

- a) a first lien position for the Community Facilities loan;
- b) a recorded regulatory agreement preceding all financial liens which restricts the use of the property for the term of the Community Facilities loan agreement;
- c) letters of commitment/award letters from funding organization(s) which demonstrate assurance of the project's financial feasibility and completion; or
- d) financial assurance of the project's feasibility and completion by placing the necessary funds into an escrow account.

### **Project Solvency Prior to Loan Agreement**

The agency must demonstrate that it has secured all the necessary funds to successfully complete the project prior to the City signing the loan agreement. This is an important requirement to further ensure that the City's investment will result in a tangible benefit for the public. If bridge or construction financing is proposed, an agency must secure permanent financing prior to closing the Community Facilities loan and prior to signing a construction contract and commencing construction. All financing must be on terms and in forms acceptable to the City.

### **Project Costs Prior to Signing an Agreement with the City**

Project costs incurred prior to executing a loan agreement with the City shall be paid by the agency. The agency should not expect City funds to be available for expenses prior to an executed loan agreement. Exceptions shall be made only upon review and advance approval of eligible costs and activities.

### **Environmental Impacts (24 CFR 58)**

Pursuant to HUD's requirements, the City reviews projects receiving CDBG funds in accordance with the requirements and regulations of the National Environmental Policy Act (NEPA) which promote fish and wildlife protection, flood disaster protection, flood plain maintenance, historic preservation, noise abatement, wetland preservation, air and water quality improvement, endangered species protection, thermal/explosive hazard protection, and solid waste disposal. **This environmental review must be completed and approved before we sign our loan documents and before you start construction.** Where serious and substantial environmental impacts are identified and/or later discovered, the agency will be asked to address such environmental issues and requirements before CDBG funds can be spent. Agencies that start construction, or undertake any physical alterations to their property or facility, before this environmental review is completed will forfeit their loan reservation and funding award.

### **Equal Opportunity, Affirmative Efforts & Non-discrimination in Contracting**

Agencies are expected to provide equal employment opportunity to applicants and employees in all terms, conditions, and privileges of employment without regard to race, color, gender, marital status, sexual orientation, political ideology, age, creed, religion, ancestry, national origin, veteran status, or physical, mental, or sensory disabilities in accordance with applicable laws, ordinances and policies. The City, along with federal regulations (24 CFR 85.36(e)) encourage the utilization of women-owned and minority-owned business enterprises (W/MBE) in contracts funded by the City. Agencies and their contractors shall not create any barriers to open and fair opportunities for W/MBE's to participate in contracts funded by the City.

### **Davis-Bacon Prevailing Wage Requirement (24 CFR 85.36(i)(5))**

Construction projects funded totally or partially with CDBG funds must comply with applicable federal Davis-Bacon labor standards requirements. The prevailing wage rates will apply to the entire construction contract, regardless of the amount of Community Facilities Loan Program funding in the project. Agencies should be mindful of this requirement when developing cost estimates or obtaining pricing for construction work. This requirement is not applicable if the project activities you are proposing to fund with CDBG funds does not contain a construction component. The City will assist you in securing the correct wage rates should your project be funded.



### **Section 3 Requirement (24 CFR 570.607(b))**

When applicable, the agency shall be responsible for requiring its contractors and subcontractors to comply with the federal “Section 3” requirement. This requirement is intended to ensure that employment and other economic opportunities generated by federal financial assistance for housing and community development projects shall be directed toward low- and very-low-income persons, particularly those who are recipients of government assistance for housing. Contact Michael Look for applicability.

### **Agency's Subcontractors**

Any agreement resulting from this application will be entered into by the City of Seattle Human Services Department (or its successor) and the applicant agency. Any service for which the agency plans to subcontract must be detailed in their application. An agency whose prime contractor and/or subcontractors do not comply with applicable requirements and provisions cannot be guaranteed full reimbursement for its project costs. Any agency that pays its prime and/or subcontractors without the City's approval shall be responsible for financial liabilities resulting from any contractor non-compliance.

### **Affordable Rents**

Any project involving space which is to be rented or leased out must provide that space at low or no cost to non-profit social service agencies, organizations or service providers offering services to low- and moderate-income persons. Any such rents or fees charged to tenants or users must be based on actual operating costs and must be below market rates for similar space.

### **Program Income (24 CFR 570.500)**

Any income generated by rental income that is above and beyond that necessary to maintain the facility is considered “program income” by HUD and is therefore governed by HUD and CDBG rules. This gives the City the authority to request that the program income be remitted to the City or be retained by the agency but be used for CDBG purposes under the City’s direction.

### **Reporting (24 CFR 570.506)**

The contracting agency shall maintain books, records, documents and other evidence directly related to performance of the work under this contract in accordance with generally accepted accounting principles consistently applied. HSD, or any of its duly authorized representatives, shall have access to such books, records, documents, and other evidence for inspection, audit and copying for a period of three years after the expiration of the agreement.

As a part of the reporting requirement, the agency will be asked to provide documentation of benefits to low- and moderate-income persons at the project site for a period ranging from one year to 15 or more years, depending on the contractual terms specified in the agreement with the City.

## SECTION VI. APPLICATION INSTRUCTIONS

The 2006-2007 Application is available in Microsoft Word for Windows. If you would like to receive a printed copy of the application or would like an electronic version of the file, please contact Ken Astrein at 206-684-0377. Applications and instructions may also be downloaded in Word format at [www.seattle.gov/humanservices/news](http://www.seattle.gov/humanservices/news). Please limit your responses to the general amount of space provided on the forms unless otherwise indicated. The font size of your answers should be no smaller than 10 points.

**HSD reserves the right to reject any or all proposals received. You must respond to each application question. Complete applications not received on or before the deadline will not be accepted or considered. The original AND seven (7) three-hole punched copies of proposals must be RECEIVED and DATE/TIME-STAMPED by Noon on November 6. Please mail or hand-deliver the original AND seven (7) copies of your proposal in an envelope addressed to:**

Hand Deliver Proposal To:

Seattle Human Services Department  
RFP RESPONSE – Community Facilities  
Attention: Ken Astrein  
Seattle Municipal Tower  
700 5<sup>th</sup> Avenue (5th & Columbia), 58<sup>th</sup> Floor  
Seattle, WA 98104-5017

-or-

Mail Proposal To:

Seattle Human Services Department  
RFP RESPONSE – Community Facilities  
Attention: Ken Astrein  
700 5<sup>th</sup> Avenue Suite 5800  
P.O. Box 34215  
Seattle, WA 98124-4215

**Faxed or e-mailed proposals will NOT be accepted. Proposals without seven (7) copies that are not received and date/time stamped by the Noon deadline will NOT be eligible for consideration. Proposals which do not follow the required format will be deemed unresponsive and NOT rated.**

Applications should be three-hole punched. Please do not permanently bind the applications, or place them in hard cover, three ring binders. Be sure to submit copies of any additional material or documentation that supports your project. Applications submitted to the City shall become public information and are subject to applicable public disclosure laws.

### **Part I. Agency/Project Summary**

A. Proposed Project Name and Address: Indicate the name and address of the project for which funds are being requested. The project is the facility for which Community Facilities Loan Program

funding will be used, not the agency's entire program. For projects currently receiving City funds, use the same title as in the existing City contract.

- B. Agency's Legal Name and Address: Indicate the legally incorporated name and address of the organization or agency that will be borrowing Community Facilities Loan Program funds to carry out the project. The agency identified must be a non-profit organization; it may not be a limited liability partnership or other form of a for-profit corporation.
- C. Agency Contact Person: Provide the name, daytime telephone and fax numbers, and e-mail address of the person who will act as the agency's project lead and who can best answer questions about the proposed project. Formal information about the application will only be directed to this person.
- D. Loan Request: State the amount of financing you are seeking with this application. Then list the total cost of the community facility project. If the facility project is part of a larger project, such as a mixed-use project that includes housing, identify only the total or proportionate cost of the non-housing community facility portion of the project.
- E. Date of Pre-Application Meeting: Identify the date of the ***mandatory pre-application meeting*** you had with staff from the Community Facilities Loan Program. The purpose of the pre-application meeting is for City staff to meet with you individually to review your proposed project and help you identify any issues which must be addressed in order for the project to be eligible for consideration in this RFP. The meeting will also identify any significant issues that would need to be addressed prior to receiving city funds in the event you project is awarded funding.. ***Pre-application meetings must be held on or before October 26*** in order for an agency's application to be considered for funding. Pre-application meetings can be arranged by contacting Ken Astrein at 206-684-0377. You are encouraged to schedule your meeting as early as possible.
- F. Project Description Summary:
  - 1. Describe the social services to be provided in the facility after the project is completed, including a quantification of service levels
  - 2. Provide a concise description of the physical work to be done by the project. A more detailed description will be asked for in Part IV.B.2. The description here shall be a brief summary that we can use to publicly describe the project.

## **Part II. Eligibility Requirements**

Each project will be reviewed by the City's CDBG Administration Unit to determine compliance with CDBG eligibility requirements. Any project failing to meet the eligibility requirements will be disqualified and will not be reviewed for funding. It is, therefore, important for the agency to find out whether the proposed project will meet the eligibility requirements. Any questions regarding CDBG eligibility requirements should be discussed at the mandatory pre-application meeting or be directed to Michael Look at 615-1717.

- A. **National Objective:** The proposed project must benefit a clientele or a service area that is at least 51% low/moderate income persons. It is eligible for funding consideration if it provides "Client Benefit" or "Area Benefit" as defined in the following paragraphs.

*If you are seeking eligibility based on specific client benefit, complete question #1. If you are seeking eligibility based on your service area, complete question #2.*

1. **Client Benefit:** At least 51% of the clients who directly benefit from the proposed project have incomes at 80% median income or less; or, the proposed project directly benefits a clientele that is generally presumed to be principally low- and moderate-income. Federal regulations currently define the following population groups as "presumed beneficiaries" (presumed low- or moderate-income): abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers.
  - a. Identify the percentages of the project's current service recipients whose estimated 2006 Gross Income falls under each income category. These percentages should total 100 percent.

Use the income categories listed in Table 1 below to determine the percentage of clients served in each income level.

**Table 1 - 2006 Income Guidelines for Seattle PMSA:**

<b><u>Family Size</u></b>	<b><u>50% of Median</u></b>	<b><u>80% of Median</u></b>
1 Person	\$27,250	\$41,700
2 Persons	\$31,150	\$47,700
3 Persons	\$35,050	\$53,650
4 Persons	\$38,950	\$59,600
5 Persons	\$42,050	\$64,350
6 Persons	\$45,200	\$69,150
7 Persons	\$48,300	\$73,900
8 Persons	\$51,400	\$78,650

- b. **Client Residence:** Give the percentages of the proposed project's clients living in Seattle, King County, and other areas. These percentages should total 100 percent.
  - c. **Methodology:** Explain the methodology used to collect and maintain client income data. Please note whether clients are required to fill out data forms, and if so, how often. If data are collected by another method, describe the method used (e.g. statistical survey). If, however, you are attempting to qualify your program based on "presumed benefit," please state the category of clients your program primarily benefits. Again, the "presumed benefit" categories are:
    - abused children
    - battered spouses
    - elderly persons

- severely disabled adults
- homeless persons
- illiterate adults
- persons living with AIDS
- migrant farmworkers

(In order to qualify under the “presumed benefit” category, your facility must exclusively serve any of the above population groups.)

**-- OR --**

2. Area Benefit: If the proposed project does not specifically target services to low- and moderate-income persons, but rather provides services to a particular geographical area whose residents largely include low- and moderate-income persons, then indicate which streets form the north, south, east and west boundaries of your service area. You must contact the HSD’s CDBG Administration Unit as they will determine whether the identified geographical area is eligible for CDBG funding. Contact Ken Astrein for more information.

- B. Eligible Activities: Check the description which best describes the predominant activity these CDBG funds will support.
- C. Demographic Data: Using the HUD categories listed, please provide the total number of unduplicated clients you served in 2005 by ethnicity. (These categories may or may not be consistent with the broader “outcome alignment” effort being pursued by Seattle, United Way, and other funders. We are required, though, to report to HUD on their demographic categories.) If your proposed project only involves a discrete program within the agency, you should only provide data for that program.
- D. Site Control and Continuing Use Requirements: Identify the means by which the agency will control the site of the proposed project. Please provide the requested documentation as noted for your situation. Leases may need to be recorded with the King County Recorder’s Office prior to the execution of a loan agreement between the City and agency and may therefore need amending. Leases may also need to be amended to secure the City’s interest in your lease. Your landlord may also be asked to sign a consent and non-disturbance agreement and/or an Estoppel Certificate affirming the present status of your lease.

If you are leasing the property, you must certify that you have informed the landlord of the potential need to amend the lease to secure the City’s interest in the facility and of the continuing use requirement. We are not asking the landlord to commit to any course of action at this point, but the agency should be aware of the landlord’s relative willingness to entertain revising the lease or tying up the lease for the continuing use period. The continuing use periods are as follows:

Community Facilities Loan Amount  
 up to \$99,999.99  
 \$100,000 to \$199,999.99  
 \$200,000 or Greater

Minimum Site Control/Continuing Use  
 5 Years from project close-out & occupancy  
 10 Years from project close-out & occupancy  
 15 Years from project close-out & occupancy

### **Part III. CDBG Environmental Requirements (24 CFR 58)**

- A. Environmental Analysis: Check which of the environmental analyses listed have recently been conducted on the proposed project site. Applicants must perform a Level I hazardous materials environmental survey to determine the presence of hazardous materials if the current situation is unknown. Please attach a copy of any surveys that have been conducted. If potential hazardous materials are identified in an environmental survey, enclose the test results of the suspected materials. Projects are not required to perform a survey as part of the application process, but will be asked to do so as a condition of funding.
- B. Environmental and Historic Preservation Impacts: List any known environmental and historical preservation impacts which may need to be addressed in your proposed project.
- C. Land Use and Zoning: All projects are strongly encouraged to schedule a land use pre-application conference with the City's Department of Planning and Development (DPD). Please submit a copy of any meeting minutes and/or any correspondence related to your pre-application meeting in your application. You may call the Applicant Services Center of DPD at 206-684-8850. They are located on the 20<sup>th</sup> floor of the Key Tower, 700 Fifth Avenue, Seattle. Their hours are M,W,F: 7:30 am-5:30 pm; Tu,Th: 10:30 am-5:30 pm. For more information about the Applicant Services Center, go to [http://www.seattle.gov/dpd/Permits/Process\\_Overview/Whos\\_Who\\_in\\_ASC/](http://www.seattle.gov/dpd/Permits/Process_Overview/Whos_Who_in_ASC/).
- D. Photographs: Photographs are required as a part of the city's Environmental Review process. Please enclose color photographs, or legible color photocopies of photographs, of your proposed project and the neighboring properties with each of the applications (one original and seven copies). If your project consists of specific repairs to a portion of a site or building, enclose photos of the interior and exterior areas where work will take place. For environmental and historical review purposes, be sure to enclose photos of all the neighboring properties as well as those across the street from the proposed site. Each photograph should be clearly labeled with an explanation of its contents (e.g., "Site where addition will be added to existing building," or "Neighbors adjacent to southern edge of property").

### **Part IV. Funding Policies and Priorities**

- A. Area(s) of Service: Check the applicable area(s) of service that your proposed project will help you to better provide.
- B. Project Description:
  - 1. Problem: Describe the facility-related problem(s) your project seeks to address. Explain how this problem affects your ability to deliver services, both qualitatively and quantitatively, and/or whether it is preventing you from maintaining or expanding your existing levels of service.
  - 2. Physical Improvements: Identify the physical improvements to be done with the site or the facility. If your project involves construction or rehabilitation and you have preliminary

drawings or schematic plans, submit a copy of them (no larger than 8½" x 14") with your application. If your project involves rehabilitation or new construction, be sure to provide a specific description of the proposed scope of work.

3. Client Benefits: Discuss the benefits to clients that the project will provide with regard to service delivery. Be sure to explain whether and how your proposed solutions will allow your agency to maintain or expand the existing levels of service currently being provided.
  4. Number of Beneficiaries: How many clients will benefit from these improvements in any given year following the project's completion? If the project will expand service capacity, clearly identify your current number of clients and the number of additional clients the expansion will provide for.
  5. Linkage Between Short- and Long-term Strategic Service Plan and the Proposed Project: Describe the agency's strategic plan for services and how your proposed project fits within that plan.
  6. Funding Priorities: Describe how the proposed project addresses one or more of the funding priorities of this RFP as described in Section IV. Funding Priorities and Rating Criteria of these instructions.
  7. Operating and Maintenance Budget: Describe the impact of the project on your operating costs. Are operating costs expected to increase or decrease compared with current levels as a result of this project? How will these costs be paid? What is the source of increased costs and what revenue sources will pay for them? If your proposed project involves new construction, expansion of an existing facility, or a new service program, please attach a 5-year operating budget identifying costs and revenue sources. If your project is being funded with financing which requires debt service, your operating budget should show a debt coverage ratio of at least 1.10 to 1.
- C. Compliance with the Americans with Disabilities Act (ADA): Explain whether the facility and/or program where the proposed project is located is accessible to persons with disabilities. If not, explain how the proposed project will address this and ensure access for persons with disabilities.
- D. Programmatic Accessibility and Cultural Relevancy: HSD will fund programs that are accessible, taking into consideration geographic, physical, cultural and language accessibility.
- E. Community Leadership: HSD will support initiatives that build community leadership and empower members of specific communities to take leadership and ownership of making decisions, identifying problems and developing solutions to community needs and issues. In this section, describe the involvement of your clients in developing the project. Neighborhood involvement and notification issues will be addressed later in Part VIII of the application form.

- F. Collaboration: HSD will support collaborations and partnerships that minimize unnecessary duplication and replication and enhance the quality of service delivery. If you fill a unique niche in a services system, please describe it.
- G. Anti-Poverty Strategies: HSD will encourage anti-poverty strategies, including ongoing efforts to help all city residents access benefits and services to which they are entitled and the integration of human services and workforce development programs.
- H. Sustainable Buildings: The City encourages the use of building materials and methods that promote environmental quality, economic vitality, and social benefit through the design, construction and operation of the built environment. Architects and contractors are encouraged to incorporate LEED<sup>TM</sup> standards where practicable. See the City's sustainable building web site at [www.seattle.gov/environment/](http://www.seattle.gov/environment/) for more information.
- I. Agency Capacity: Describe the agency's capacity and experience to implement this capital improvement project. Describe specific agency staff and development team members as well as their credentials. If a development consultant is to be retained, please provide the resumes of the consultant's staff who will be responsible for this project.

## **Part V. Project Schedule**

Agencies receiving Community Facilities Loan Funds should be able to begin project implementation in 2007 and complete their projects by the end of December 2008. In the spaces provided, describe the major project tasks which must be completed. List activities that must be completed before, during and after construction. Indicate the proposed schedule for each task, including the beginning and completion dates (month/year). Activities listed might include, but are not limited to, acquisition, planning, architectural design, permitting, hazardous materials abatement, start of construction, construction mid-point, and project close-out.

Note: Project activity costs to be paid from Community Facilities Loan funds should not be incurred until a corresponding contract or loan agreement is signed and executed by the Agency and the City. Please do not schedule Community Facilities-funded activities prior to loan execution.

If awarded funding, the agency has the responsibility of keeping HSD apprised of its planning, design and construction progress. Should an agency begin a project without a notice to proceed from HSD, HSD cannot make funds available to the project.

## **Part VI. Project Funding Summary**

- A. Funding Plan: Describe what funds and fund sources, if any, have already been secured, and describe your plans for securing any funds still needed. Be specific about the source of funds, their present status, and include a timeline for any decision-making process involved in awarding the funds. Include anticipated dates of application for funding and anticipated award dates. Include additional sheets if necessary.



Agencies are encouraged to provide at least 25% of the total project funding from sources other than the City of Seattle. To be most competitive, your match should consist of actual cash funds allocated to construction and or architectural costs associated with this project as listed in the Part VII: Project Budget. Agencies acquiring a site on or after January 1, 2006, specifically for the undertaking of the proposed project, may use the acquisition cost or a portion thereof if the project will contain mixed uses, as a match. Costs not specifically related to the Community Facilities portion of a project in mixed-use projects are ineligible for use as a match. Some other items not eligible for the match include funding or construction contingencies, donated materials or volunteer labor, in-kind donations, agency staff time, and furniture, fixtures or equipment. This information should correspond to the information you provide in the Project Funding Summary Worksheet.

Assuming all other funding factors are equal, projects securing matching funds of 25% or more of the total Community Facilities project cost will score more competitively in the Project Funding section than those securing less than 25%. Projects securing a match less than 25%, however, will score more competitively than those not proposing any match, again, assuming all other funding factors are equal.

B. Alternatives: Discuss financial alternatives and explain how you plan to finance and complete your proposed project by December 2008 should you not receive the full amount of Community Facilities Loan funds requested or if other fundraising efforts fall short. If your alternatives consist of a reduced or discrete scope of work, briefly describe this work; e.g., "If our agency does not receive enough funding to rehabilitate the entire second floor of our building, we will only rehabilitate the main activity room and the adjacent rest rooms." Also describe your specific plans for timely completion of this project in the event actual costs and construction bids exceed the project's budget.

C. Project Funding Summary Worksheet:

Project costs can be divided between "eligible" and "ineligible" costs. Eligible costs are costs incurred for the physical development of the facility or the part of a larger building in which the direct social services will be provided. (Fundraising costs are strictly NOT eligible even if the funds are raised for the facility.) Ineligible costs include fundraising and all costs not associated directly with the development of the facility. In mixed-use projects where the Community Facilities space is a portion of a larger development, ineligible costs are all costs not directly related to the Community Facilities space. (Ineligible costs will not be considered when calculating an agency's match contribution.)

Indicate the project name and agency name in the spaces indicated and complete the proposed Project Funding Summary Worksheet. List each fund source for Eligible Costs and the amount of funding to be secured from that source. Indicate the percentage of total project funding represented by each source in the column entitled "Funding % - Eligible Costs." Fund sources for ineligible costs should be listed in the "Ineligible Costs" column, if applicable, and should not be counted when calculating the above percentage. Add the Eligible Costs to the Ineligible Costs and carry the total forward to the column entitled "Total Project Cost."

Explain the status of other funds in the column entitled "Fund Status." You *must* choose your response from the options listed at the bottom of the worksheet. For all sources noted as "Committed," you must attach a copy of your award notice(s) or letter(s) of commitment. Please remember that figures listed on the Loan Request and Total Project Funding lines should match the corresponding figures in Part I. Agency/Project Summary, and Part VII. Project Budget.

## **Part VII. Project Budget**

Indicate the project name and agency name in the spaces indicated and complete the proposed project budget. List project expenditures in the appropriate column according to the fund source you anticipate will pay for the activity. Community Facilities Loan funds must be allocated for specific line item activities in each approved project. Therefore, when preparing your budget, be sure to consider which activities you wish to pay for with Community Facilities Loan Funds. Add the two fund source columns and carry the total to the column titled "Total Cost." The following can be used as a guide in preparing your budget:

Land/Building Acquisition: List acquisition and/or site control costs when the project involves securing property not already under the agency's control. Include any costs associated with obtaining site control, but do not include annual expenses. Real Estate Taxes, for example, may be included if the property is being acquired and the taxes must be paid at the time of closing. Taxes that accrue after the property has been secured are not an eligible expense since they would be considered an annual operating expense. Relocation expenses should be included if you are required to relocate residential or commercial tenants.

Professional Services: List the cost of all contracted professional services associated with the proposed project. Costs for project or construction management services provided by agency staff are not eligible costs. Community Facilities Loan Funds will only pay for project/construction management costs directly associated with, or in mixed-use projects prorated for, community facilities purposes.

Fundraising activities are not eligible Community Facilities Loan costs and must be paid by other fund sources.

Construction/Rehabilitation: List the costs for estimated construction, hazardous materials abatement if applicable, and associated permitting fees. Estimates for construction should account for competitive bidding practices, the payment of federal Davis-Bacon prevailing wages and, if applicable, Section 3 of the Housing and Urban Development Act of 1968. Also, be sure to include sales tax. Projects involving construction should consider a contingency to cover unanticipated expenses. Contingencies range from 5%-15% depending on the complexity and cost of the project. Contingencies over 15% should be documented in writing. Attach a detailed breakdown supporting your construction cost estimates if available.

Ineligible Costs: List the costs, if any, that are necessary for completion of the project but that are not eligible for Community Facilities Loan Program funding and that cannot be used as part of the funding match. You may attach a detailed breakdown of ineligible costs if necessary. Ineligible

costs are items, activities, or services that are not eligible for Community Facilities Loan funding and that do not qualify as a Community Facilities Loan funding match but that may be integral to your overall project. In mixed-use projects where the Community Facilities space is a portion of a larger development, ineligible costs would also include all costs not directly related to the Community Facilities space. Eligible costs in mixed-use projects which cannot be solely attributed to the Community Facilities space should be allocated proportionally.

### **Part VIII. Good Neighbor Guidelines**

Agencies are strongly encouraged to make a good faith effort to notify the surrounding community of their proposed project, as well as any changes or additions to the services they plan to provide in the facility. Notification is especially important for agencies proposing projects that expand the foot print of their existing facility or that site a new facility.

- A. Describe any contacts you have had with staff in the City's Department of Neighborhoods, or other City departments, with regard to the notification of neighborhood and community organizations, as well as any potential issues identified.
- B. Describe any contacts with neighborhood and community organizations and with neighbors and other individuals, and describe any issues raised by community members.
- C. Describe a future plan for ongoing communication with neighborhood and community organizations for up to one year after project completion.

### **Part IX. Agency Administration & Capacity**

- A. Agency Type: Check whether the applicant is a private nonprofit, a housing or public development authority, or a public entity providing human services. The latter type of organization must be approved by HSD prior to submitting a proposal.
- B. Agency Director: Please print or type the name of the agency director.
- C. Total 2006 Agency Budget: Indicate the 2006 total agency budget.
- D. Agency Mission Statement and Services: Briefly describe the history and services provided by your agency.
- E. 2006 City-Funded Programs: List all 2006 City funded programs or contracts your agency administers. Be sure to include amounts and fund sources (e.g. CDBG, General Fund) for those programs.
- F. City CDBG Funded Capital Projects: List all capital projects the agency has undertaken from 2000 through 2005. Highlight those with City or other CDBG funding, including the amount of that funding.

- G. Governing Body: Attach a list of board members, minutes from the last two (2) board meetings and, if possible, the organizations or constituencies the board members represent.
- H. Board Resolution: Please attach an approved resolution from your Board of Directors that includes the following: authorization and verification of capacity to undertake and administer this project and to apply for a Community Facilities Loan in the amount requested in this application; authorization for the individual or individuals so identified in your application to undertake this project and sign legal documents on behalf of the agency; and, verification of consistency of this project with the mission of the agency. Please note that HSD will not issue a funding award to any agency that has not submitted an approved Board Resolution.
- I. Audit Policy: Indicate whether your agency is regularly audited by an independent CPA. If so, provide the date of the most recent audit and the time period covered by the audit. Indicate if the audit was conducted in accordance with federal OMB Circular A-133. An A-133 audit includes reports that cover the agency's financial statements, internal control structure, and compliance with laws and regulations. Attach a copy of your agency's Financial Statement for 2005 (or 2004 if 2003 is not yet available) and a copy of your most recent IRS 990.
- If your agency does not undergo regular audits, explain agency policy regarding audits. If your agency has not submitted your most recent audit to HSD, please attach a copy of the audit and the accompanying management letter to the application.
- J. Insurance: Check whether or not you carry either of the following types of insurance: general liability, fidelity bond, and if applicable, flood plain. Indicate the amount of coverage for each type, if carried by your agency.
- K. Certification: Please print or type the name and title of the person(s) authorized to represent the agency and have that person sign and date your application.
- L. Board Concurrence: The signature of a board president or chairperson is required to verify that the Board has authorized this application for funds and that the board supports the intended project.